SOCIO-ECONOMIC STUDY OF THE PROPOSED SHELL OIL COMPANY PEARL MINE

INTERIM REPORT VOLUME 9

Growth Management Strategies

Submitted To:

THE MONTANA DEPARTMENT
OF
STATE LANDS

November 21, 1977

This report is in the preliminary Review Draft stage. As such it represents neither the final judgement nor the official position of the Meadowlark Group or the State of Montana.

P.O.Box 1050
Helena, Montana 59601
406/442-9873

1110 South Third Avenue
Bozeman, Montana 59715
406/587-3560

GROWTH MANAGEMENT STRATEGIES

Pearl Mine, Big Horn County, Montana
With Impacts on Sheridan County, Wyoming

The Pearl Mine - along with other operational and proposed mines in Big Horn County - presents unusual problems in dealing with the employment and population impacts of construction and mine operation. The proposed mine is located in Montana, but the closest settled areas are across the state boundary in Sheridan County, Wyoming. Virtually all of the employees of the Pearl Mine - and other nearby mines - are expected to live there, principally in the largest community, Sheridan.

Three sets of runs for the economic model[1] make the assumption of 95 percent of the employees living in Sheridan County. It may, however, be desirable - as a strategy to reduce the impacts of development on Sheridan - to provide an opportunity for Montana workers to live in Montana. A fourth set of runs for the economic model[2] makes the assumption that 50 percent of the work force could live in Big Horn County, Montana.

The growth management strategies outlined in this paper recognize that with divided responsibility for approval of the employment generators (the mines) and for provision of public services and facilities for workers (in the towns), there must be an atmosphere of cooperation between the States of Montana and Wyoming, the counties of Sheridan and Big Horn, and the private energy development companies and the governments involved.

The most important activity required to deal with expected impacts is the preparation of a growth management strategy. The Housing and Urban Development report, Rapid Growth from Energy Projects,[3] called for a "rapid growth plan" or an "energy impact plan" to define expected impacts and set up a program and schedule for responding to those impacts. The major elements of such a plan, according to the report, would include:

- Inventory of current conditions
- Analysis of expected impacts
- Organization and responsibility for managing growth
- Staffing needs and training program
- Comprehensive land use plan
- Land use controls and enforcement program
- Capital Improvement Program
- Plans for specific services, e.g., water
- Annual budgets for operations
- Financing plan
- System for coordinating all this with other related agencies, governments and energy companies

The idea of a growth management strategy has been incorporated into federal legislation. The Coal Conversion Act (S977), which has been approved in conference (November 1977), provides assistance to regions impacted by expanded coal production (Section 306). It would make available funds for an "energy-impacted region" to obtain federal planning grants for the purpose of developing a "growth management and housing plan." The plan would identify, among other impacts, the anticipated levels of coal development within the region, the actual and projected socio-economic impacts

resulting from the energy development, the sites and resources available within the designated region which can meet actual and projected needs in a timely and orderly fashion, and the actions and aid required to meet these needs which are unavailable through any other federal program.

Together, the Decker area of Big Horn County, Montana and the Sheridan city and county area of Wyoming comprise one "energy impacted area." This area now has several of the necessary components of a sound growth management and housing strategy. First, this environmental impact statement itself identifies the anticipated levels of coal development and analyzes the expected socio-economic impacts. The City of Sheridan has a Community Development Plan and Sheridan County has a Comprehensive Plan, both of which inventory existing conditions and make proposals for land use plans and controls.

Sheridan has a comprehensive study of water and sewer service needs and a plan for expansion. Both the city and the county have annual operating budgets. Finally, the Sheridan area has some experience in dealing with the impacts of coal development. The Big Horn Mine in Wyoming and the Decker Mine in Montana have been operating for several years, increasing employment and population in the area.

Several recommendations are made in this statement to help pull together a sound growth management strategy, building upon the experience and plans of the states and communities of this energy impact area. These ten suggestions are divided in several ways:

by those which may be implemented by Montana alone, by Wyoming communities alone and Montana and Wyoming acting together; by those which are currently available to state and local governments and those which will require extensive study or changes in legistion; and finally by those which are especially applicable to the Decker-Sheridan area vs. those which are presented as examples of actions taken elsewhere in the nation to respond to energy development.

Recommendations for the growth management strategy are presented in three groups:

Group A - <u>High Priority Recommendations which are Currently Available</u> -- By Montana Alone, Wyoming Alone, or by Joint Action of All Governments Involved

1 - Organize to obtain information of the development and employment plans of the companies and to identify potential impacts. JOINT ACTION

2 - Stage development so that impacts are spread out evenly over proposed development period for all mines. MONTANA

3 - Strengthen development controls, especially those for the siting and standards of mobile homes and mobile home parks. WYOMING COMMUNITIES: Sheridan County and Cities.

Group B - <u>Recommendations which require Extensive Study or Changes in State or Federal Legislation</u> -- by Montana Alone, or Montana and Wyoming by Joint Action

4 - Investigate the potentials of an interstate agreement under proposed federal legislation on energy development impact assistance. MONTANA AND WYOMING JOINTLY

5 - Consider the potential for a New Settlement in Montana to provide a place of residence in-state for Montana workers. MONTANA, with Montana energy companies

6 - Require company responsibility for construction worker impacts under the mine permit process. MONTANA

Group C - Examples of Energy Development Responses which are Currently Available to Wyoming Local Governments

7 - Plan for temporary services and facilities for the impacts of the construction phase. WYOMING COMMUNITIES

8 - Establish training programs for local residents and encourage local hiring. WYOMING COMMUNITIES

9 - Prepare Capital Improvement Programs for long-range population increases. WYOMING COMMUNITIES

10 - Preserve the prime agricultural lands, especially along the river areas. SHERIDAN COUNTY

The response to energy development impacts by the State of Montana is limited, solely because of the pattern of urban development in the Decker-Sheridan area. The recommendations and suggestions identified above, and detailed following, could assist the local governments and states involved to develop necessary information and plans, to build cooperation, and to meet some of the pressing problems of employment and population growth.

DETAILED DESCRIPTIONS OF THE RECOMMENDATIONS AND SUGGESTIONS

The recommendations of this environmental impact statement are:

1. That the states and local governmental agencies in both Wyoming and Montana organize to obtain information of the development

and employment plans of the energy companies and identify the potential growth impacts.

Local governments and community private businesses are better able to understand and plan for the impacts of energy development if they have good information on the numbers of employees expected well in advance of their arrival. Such information cannot be given as a "one-shot" effort, but needs to be continually updated as plans are changed and new plans made.

As soon as officials know the plans for the project, they must start sharing that information fully with citizens and other units of government. Channels of communication need to be opened among all the governments - cities, counties, schools and states. It is essential that each unit of government be aware of the plans of not only the Pearl Mine, but also all other mines and energy projects proposed for the Decker-Sheridan area; and of the potential impacts of this coal development with the problems each community will face.

A group - or set of groups - might be formed to accomplish these goals. For example, a group representing governmental agencies potentially affected by coal development might be set up for each state, concentrating on the impacts and responses for that state. Membership might include:

Wyoming - Sheridan County; City of Sheridan; communities of Big Horn, Clearmont, Dayton, Ranchester and Story; and county school districts.

Montana - Big Horn County; City of Hardin; communities of Decker and Birney; area school districts and possibly the Crow and Northern Cheyenne Tribes.

Each group might include observers from appropriate State agencies, such as the Department of Economic Planning and Development for Wyoming, and the Montana Coal Board.

These two groups could meet individually to discuss state problems, inviting the Wyo-Mont Industrial Association as desired. Less frequently, say quarterly, the two groups could meet together with the Wyo-Mont Association to discuss employment and development plans. The models for such groups would include the Priorities Board of Sweetwater County, Wyoming and the Kaiparowits Planning and Development Commission in Kane and Garfield Counties, Utah.[3]

As an aid to energy-impacted areas, the Coal Conversion Act would require that any company producing or transporting coal or uranium through the areas shall prepare a report to the Secretary of Energy if requested by the Governor. Such report shall include projected annual employment demand over the life of the operations, annual projected influx of employees from outside the area, and the actions such companies plan to take or are taking to provide housing and other facilities for employees, or funds to governments for this purpose.

2. That the State of Montana Lands Board stage the granting of permits for mines in the Decker area of Big Horn County in such a manner that impacts are spread out rather evenly over the development period of all proposed mines in the area.

The current schedule of development of coal mines in Big Horn County indicates some peaks of development, and changes in plans could create more significant peaks. Based on the information obtained by the local government groups recommended above, the State and energy companies might agree on voluntary schedules of staging development and emplyment.

The companies might give commitments for employment scheduling to the State of Montana. It might be possible - and desirable - to write such commitments into the permit approval granted by the Montana Lands Board. Brown & Root made such a binding commitment on employment growth schedules to obtain its zoning approval from Northampton County, Virginia to build a platform fabrication yard.

3. That the local governments in Wyoming (and Big Horn County) strengthen their development controls, especially those for the siting and development standards of mobile home parks and the construction and sale of mobile homes.

The initial impacts of coal mine development are likely to come from mobile homes. "The most visible sign of the energy boom is the mobile home. When all available standard housing has been taken up and little new housing is being built, workers and their families turn to mobile homes."[4] With the development of the Big Horn and Decker mines, mobile homes in Sheridan increased from 60 in 1970 to 380 in 1976. The community development plan indicates that there are problems with mobile home siting.

Mobile homes should be accepted, as they are a logical way to provide a significant portion of the temporary housing needed for the construction phase of energy development. Communities need to be concerned, however, that mobile homes and parks designed for temporary purposes do not become permanent, that the mobile homes are not a safety hazard, and that the mobile home parks do not create public service and fiscal problems by scattering across the landscape. Finally, mobile home parks should provide a decent place to live for their residents.

The key to controlling mobile homes is a comprehensive ordinance, such as that adopted for Rio Blanco County, Colorado, which provides for:

- A maximum of 5.5 mobile homes per acre;
- Restriction of mobile homes to mobile home parks (no single lot development);
- Requirement that parks have 20 percent open space;
- Provision of 1,000 gallons of water per unit per day (intended to promte landscaping); and
- New mobile home parks (as a matter of policy) will be allowed only within a three-mile range of existing cities.

Communities might require, as Green River, Wyoming has done for some mobile home projects, that mobile homes be located for a specific time (e.g., three years) on lots intended for permanent subdivision. Two mobile homes are allowed per lot.

Recent federal legislation, administered by the Department of Housing and Urban Development, regulates construction standards on mobile homes nationwide. There are, however, many mobile homes present which were constructed or sold when no such legislation existed in Wyoming. Communities may want to review their mobile home and fire codes to determine if mandatory inspections of mobile homes for fire safety may be necessary.

4. That the States of Montana and Wyoming investigate the potentials of an interstate agreement to coordinate impact planning and programs.

The population impacts projected from the Pearl Mine are not high, especially in comparison with many other coal projects in the Montana-Wyoming region. Even the impacts of all the mines in the Decker-Sheridan area can be managed. The comlicating factor in this area, however, is the relatively uncommon one of the mine being in one state and the workers living in another (unless recommendation #5 is implemented).

The severance taxes from the Pearl Mine will be paid to the State of Montana, and the property taxes paid to Big Horn County. There is no mechanism available to provide any of that tax money to the state and communities with the demands for public services and facilities.

The proposed "Inland Energy Development Impact Assistance Act of 1977,"(S. 1493) introduced by Senator Hart of Colorado, calls for interstate and intrastate coordination. Under Section 1116,

(a) States are encouraged to give high priority (1) to coordinate impact planning, policies, and programs in contiguous interstate regions; (2) to developing and implementing unified impact policies in such regions including the sharing of new public revenues derived from energy development for the management and mitigation of impact and the standardization of growth

regulations; and (3) to develop and implement methods of intrastate coordination . . . The Secretary of Commerce is authorized to make annual grants to the States of up to 90 per centum of the cost of such coordination, study, planning, and implementation for the first year and 50 per centum for each year thereafter.

The act gives prior consent of Congress to negotiate such such interstate agreements, and provides that prior to establishment of an agreement grants may be given to a multistate organization, such as the Old West Regional Commission, for coordinating and studying impact planning and programs. Old West could assist, therefore, the states in studying an interstate agreement.

An interstate agreement could provide the formal basis for the two-state organization recommended in #1, providing the legal basis for requiring information and paying for the costs of a multi-state effort. The further stage of somehow transferring some funds which accrue to Montana from coal producto Wyoming for public facilities and services is a most difficult one. Montana has other areas which require impact assistance. Development of several major energy projects at the same time might place extreme burdens on a state fund which obtains revenues only after production begins.

Furthermore, the State of Wyoming has been giving assistance to Sheridan County communities. Grants have been made from the Coal Tax Fund for roads in Sheridan County ($775,000), and for water studies in Clearmont, Ranchester and Sheridan. The primary emphasis of the interstate agreement in the fiscal area, then, may be for planning for the distribution of any federal funds which may result from proposed legislation allocating funds to states, regional organizations or interstate compacts.

5. That the State of Montana and Big Horn County consider the potential for a new settlement in the Decker area so that a portion of the Montana workers have the opportunity to live in Montana.

There is no present potential for any significant number of new mine employees to live in Montana. They must live in Wyoming, even if some would desire a closer Montana location (this obviously applies more to other Big Horn County mines than to the Pearl Mine). A new settlement would do much to place the public facility and service demands within the same jurisdiction as the employment activity which generates new tax revenues, thus reducing the effects on communities in Wyoming.

The concept of the new settlement would be a small community (certainly not a "new town") which would probably start off with mobile homes and gradually add permanent housing as

mine employment levels become more stable. The settlement could thus serve both construction and operating work forces. For the initial phases, modular buildings and package utilities could be used. The model for the development sequence could be that used for the planning of a proposed new town on the Navajo Reservation for employees of a proposed coal gasification complex (see following figure).[5] This sequence would allow great flexibility in developing a community of unknown size and timing.

The main question to be resolved would be: "Who is responsible for the new settlement?" The State of Montana could take a leadership role in studying feasibility and planning the concept. Big Horn County would have to be involved in siting and the provision of public services. Energy companies, through the Wyo-Mont Industrial Association, might take the financial responsibility for planning the community and for a portion of the cost of providing housing and community services for their workers.

6. That the State of Montana Lands Board require that energy companies be responsible for financing construction worker impacts.

Coping with the impacts of temporary construction workers can be more difficult than coping with those of permanent operation workers. The speed with which construction workers arrive after granting of a permit, the seasonality of construction (especially in areas like Decker), and the transient nature of the work force all contribute to local government and private housing market problems. Traditional methods of providing housing and community services are geared to permanent construction and long-range financing.

To overcome some of these problems for the local community, the energy company may be required to provide for the impacts caused by their construction work force. A recent report for the Energy Research and Development Administration on Developing and Applying a Coordinated Approach to Energy-Related Community Development[6] suggested that the state siting authority "would have the power to specify industry's role in providing accurate and specific employment forecasts and alleviating adverse impacts to the community and to the environment."

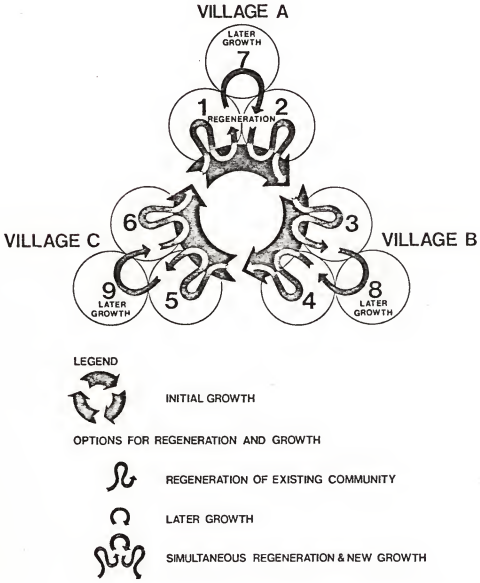
A key component of the general approach recommended is that:

The energy industries pay for temporary requirements.[7]

To accomplish this, the siting authority would require that the energy company and the local community - this report suggests a local public developer (LPD) - negotiate an agreement on industry's responsibility for improving land for housing for its temporary work force and providing the necessary temporary public facilities. The siting authority (such as the

Exhibit 14
DEVELOPMENT SEQUENCE - I

GROWTH AND REGENERATION



DEVELOPMENT SEQUENCE I GRUEN ASSOCIATES

Source: Housing and Community Services: for Coal Gasification Complexes Proposed on the Navajo Reservation, 1974.

Montana Lands Board) would monitor and enforce the negotiated agreement.

Such an arrangement is currently in effect in Wyoming. The State Industrial Siting Council reviews and approves (or modifies or rejects) applications for large energy facilities (not including mines under $50 million in construction cost at present). To comply with the provisions of the act, the industry must prepare a comprehensive report of its proposed employment levels and forecasts of the environmental, social and economic impacts of the projects, along with steps that must be taken to overcome negative impacts.

In granting a permit for the Laramie River Station of the Basin Electric Power Cooperative at Wheatland, the Industrial Siting Council required that at a minimum, the applicant shall, among other actions, take the following steps:

(b) Provide the requisite assistance, financial and/or technical, to meet the housing needs of its construction force and the induced population within affected communities; . . .
(d) Provide the necessary financial assistance to assure that reasonable operating expenses of School District No. 1 and 2 are met during the construction interval, in the absence of public sector revenues;
(e) Provide the necessary financial assistance to area health and social services centers . . . to assure continued services during the construction interval, in the absence of public sector revenues;
(f) Provide assistance -- financial, technical, or equipment -- in developing recreational facilities to assist the needs of area residents during the construction interval.[8]

7. That the communities of Wyoming - Sheridan County, City of Sheridan and towns of Big Horn, Clearmont, Dayton, Ranchester and Story - plan for temporary services and facilities for the impacts of the construction phase.

Even if the energy companies are fully or partially responsible for financing the impacts of the temporary workers during the construction phase, the local governments will be administering the public facilities and services programs. For many energy projects, with construction employment exceeding operation employment, there will be a "boom/bust" cycle. Communities which met all construction phase impacts with permanent facilities could be left with excess - and costly - facilities at the end of construction.

Because for the nature of coal mine construction and the potential for a whole series of mines in the Decker-Sheridan

area -- and especially if the State of Montana stages the granting of permits -- this effect is not likely to be serious in Wyoming. What could be troublesome, however, is that mobile home parks created for construction workers could stay on after the need had passed. Package treatment plants and modular schools need to have limits placed on their use so that they do not gradually become permanent.

8. That the communities of Wyoming establish training for local residents and encourage local hiring.

Impacts on communities can be more positive if jobs are held by present local residents rather than by newcomers. Demands for additional housing and community services are greatly reduced. New jobs can help raise incomes and increase job skills. The ability to hire local residents depends to some extent, however, on the skills available in the community.[9]

Training programs for a variety of skills are now available in Sheridan College. This good program should continue to be supported and encouraged to give special attention to training programs for young workers and women in the community, and to the wives of new workers. Creating jobs for women would expand the possibility for better incomes for women, add to the number of two-income households, and potentially reduce the number of imported workers required for the project. Day-care centers may be an important support needed to encourage employment of women.[10]

The Pearl Mine is located immediately adjacent to the Crow Reservation, which has the dual problems of high unemployment and a need for skills. Employment of members of the Crow Tribe would provide jobs and income, reduce the need for imported workers, and provide skills for not only the Pearl Mine, but also for mines proposed for the Crow Reservation. Such employment of the Crow might be suggested by the Montana Lands Board.

9. That the local governments of Wyoming (and Montana) prepare Capital Improvement Programs for long-range, permanent infrastructure and facilities.

Capital programming has the potential for assisting local governments in planning for and meeting the demands of energy development growth by:

- Determining the magnitude of capital needs;
- Setting priorities for construction;
- Determining available financing;
- Demonstrating financial needs to other agencies, such as the federal government (and energy companies);
- Coordinating capital planning of all local governments;

and
- Coordinating capital spending with operating budgets.[11]

The eight major steps of the capital programming process, which can be accomplished in about six to nine months, are as follows:

1. Assemble background information;
2. Inventory potential projects;
3. Analyze individual requests;
4. Prepare financial analyses;
5. Develop draft capital program;
6. Prepare proposed capital program;
7. Adopt capital program and budget; and
8. Follow-through.[12]

10. That Sheridan County (and any other affected communities) work to preserve the prime agricultural lands of the area, especially those along the rivers.

Prime agricultural lands often make prime lands for urban development, especially housing. The lands along the rivers are quite subject to development, for they are often those closest to roads. Furthermore, many communities do not recognize the desirability of preserving agricultural lands -- nor the degree to which they are losing them -- until it is difficult to reverse the trend.

Policies and programs for the preservation of prime agricultural land include:

- Agricultural zoning on a permanent basis;
- Flood plain zoning to prevent development in hazardous areas;
- Routing roads to the coal development <u>away</u> from river valleys and thus prime agricultural lands;
- Control of utility extensions, such as water and sewer lines, to avoid prime lands;
- Large lot (e.g., over 20 acres) zoning; and
- Acquisition of development rights (with State, federal or private aid.

The State of Wyoming might assist with provisions for agricultural assessments, taking off tax pressures.

Conclusion:

The divided responsibilities for dealing with the impacts of the Pearl Mine, and other mines of the Decker area, call for a unique and sensitive response. The State of Montana - even while approving the mine permit - cannot determine the pattern of response. It can however, through this environmental impact statement, offer suggestions for developing information, building cooperation and addressing the problems of employment and population growth.

FOOTNOTES

1. Prepared for this environmental impact statement: Sets of runs 1 - 6, 7 - 12 and 13 - 18. The fourth set of runs 19 - 24 assumes 50 percent residence in Wyoming.

2. Rapid Growth from Energy Projects: Ideas for State and Local Action, by David C. Williams for the Department of Housing and Urban Development, April 1976, pp. 13-14.

3. "Boom, Then Bust: Managing Rapid Growth Cities," Management Information Service Report, Vol 9 No. 3, by David C. Williams (Washington, D.C.: International City Management Association, March 1977), p. 6.

4. Rapid Growth from Energy Projects, p. 2.

5. Housing and Community Services: for Coal Gasification Complexes Proposed for the Navajo Reservation, prepared for El Paso Natural Gas Company and Western Gasification Company, by Development Research Associates, April 1974, p. V-16.

6. Comprehensive Community Planning for Energy Management and Conservation: Developing and Applying a Coordinated Approach to Energy-Related Community Development, by Resource Planning Associates for the Energy Research and Development Administration, May 1977.

7. Ibid, p. 3.18.

8. Excerpts from Basin Electric Power Cooperative, Docket No. WISA-75-3, Permit No. ISC-00-02-76.

9. Rapid Growth from Energy Projects, p. 6.

10. "Boom, Then Bust," p. 10.

11. Managing the Social and Economic Impacts of Energy Developments, Centaur Management Consultants, Inc. for the Energy Research and Development Administration, July 1976, p. 134.

12. "Boom, Then Bust," p. 11.

CONTRACTING OUT AS A MITIGATING STRATEGY:

THE CASE OF SHERIDAN

INTRODUCTION

Growth in the Sheridan area will bring problems in the provision of public services. Even good planning and provision of front end money for local governments will not eliminate the difficulties associated with rapid, sometimes irregular, and uncertain growth in the vicinity. The situation seems tailor-made for substantial use of "contracting out" as a strategy of publicly financed provision of local services. Collective desire for, and finance of, local services need not imply collective provision of those services. It is often the case that a public agency can contract with a private firm or another governmental unit to provide services more efficiently than if the agency itself staffed up and acquired the necessary capital to provide the services itself. This paper will discuss ~~this~~ such an alternative, and the arguments for and against its implementation. Specific measures useful for its implementation also will be set forth and discussed.

As indicated in Table I, contracting out the provision of services is neither radical nor unusual. The frequency of such arrangements varies widely, however.

(Insert Table 1)

TABLE I

INCIDENCE AND VARIETY OF PURCHASE-OF-SERVICE CONTRACTING BY LOCAL GOVERNMENTS (a)

SERVICE	NO. OF CITIES IN SAMPLE (B) 2,248	NO. OF CITIES REPORTING (A)	NO. OF CITIES CONTRACTING WITH OTHER PUBLIC ENTITIES (b) NO.	% OF (A)	% OF (B)	NO. OF CITIES CONTRACTING WITH PRIVATE FIRMS (c) NO.	% OF (A)	% OF (B)
Assessing		207	176	85	8	31	15	1
Payroll		114	54	47	2	60	53	3
Tax Collection		191	168	88	7	23	12	1
Treasury Functions		50	36	72	2	14	28	1
Utility Billing		177	78	44	3	99	56	4
Election Administration		121	114	94	5	7	6	0
Legal Services		204	32	16	1	172	84	8
Licensing		53	49	92	2	4	8	0
Microfilm Services		66	25	38	1	41	62	2
Personnel Services		77	71	92	3	6	8	0
Public Relations		42	14	34	1	27	66	1
Records Maintenance		40	32	80	1	8	20	0
Registration of Voters		91	89	98	4	2	2	0
All Public Health Services		279	275	99	12	4	1	0
Air Pollution Abatement		180	179	100	8	1	0	0
Alcoholic Rehabilitation		118	110	93	5	8	7	0
Ambulance Service		286	129	46	6	151	54	7
Animal Control		300	208	69	9	92	31	4
Cemeteries		90	46	51	2	44	49	2
Hospitals		136	82	60	4	54	40	2
Mental Health		120	99	83	4	21	17	1
Mosquito Control		132	120	91	5	12	9	1
Noise Abatement		66	56	97	3	2	3	0
Nursing Services		114	81	71	4	33	29	1
Water Pollution Abatement		119	115	97	5	4	3	0
Welfare		102	101	100	4	1	0	0

TABLE 1 (Cont'd.)

SERVICE	NO. OF CITIES IN SAMPLE (B) 2,248	NO. OF CITIES REPORTING (A)	NO. OF CITIES CONTRACTING WITH OTHER PUBLIC ENTITIES (b) NO.	% OF (A)	% OF (B)	NO. OF CITIES CONTRACTING WITH PRIVATE FIRMS (c) NO.	% OF (A)	% OF (B)
Flood Control	128	128	128	100	6	0	0	0
General Development	54	44	81	2	10	19	0	
Housing	110	111	94	5	7	6	0	
Industrial Development	88	64	73	3	24	27	1	
Irrigation	30	25	83	1	5	17	0	
Mapping	128	61	48	3	67	52	3	
Planning	282	198	70	9	84	30	4	
Soil Conservation	102	98	96	4	4	4	0	
Urban Renewal	73	67	92	3	6	8	0	
Zoning and Subdivision Control	99	83	84	4	16	16	1	
Parks	140	136	97	6	4	3	0	
Recreational Facilities	174	168	97	7	6	3	0	
All Police Services	142	142	100	6	0	0	0	
Crime Laboratory	300	295	98	13	5	2	0	
Criminal Identification	219	219	100	10	0	0	0	
Patrol Services	86	84	98	4	2	2	0	
Police Communications	299	294	98	13	5	2	0	
Police Training	392	390	99	17	2	1	0	
School Crossing Guards	89	89	100	4	0	0	0	
Traffic Control	110	106	96	5	4	4	0	
Jails and Detention Homes	446	445	100	20	1	0	0	
Juvenile Delinquency Program	114	111	97	5	3	3	0	
Probation and Parole	100	100	100		0	0	0	
Work Release	40	40	100	4	0	0	0	

TABLE I (Cont'd.)

SERVICE	NO. OF CITIES IN SAMPLE (B) 2,240	NO. OF CITIES REPORTING (A)	NO. OF CITIES CONTRACTING WITH OTHER PUBLIC ENTITIES (b)			NO. OF CITIES CONTRACTING WITH PRIVATE FIRMS (c)		
			NO.	% OF (A)	% OF (B)	NO.	% OF (A)	% OF (B)
All Fire Services		240	239	96	11	9	4	0
Fire Communications		162	158	98	7	4	2	0
Fire Prevention		84	82	98	4	2	2	0
Training of Firemen		185	183	99	8	2	1	0
All Civil Defense		233	233	100	10	0	0	0
Civil Defense Communications		97	95	98	4	2	2	0
Civil Defense Training		90	90	100	4	0	0	0
Bridge Construction & Maintenance		138	114	83	5	24	17	1
Building & Mechanical Inspection		75	68	91	3	7	9	0
Electrical & Plumbing Inspection		122	106	87	5	16	13	1
Electricity Supply		285	51	18	2	234	82	10
Engineering Services		269	35	13	2	234	87	10
Refuse Collection		350	41	12	2	309	88	14
Sewage Disposal		307	289	94	13	18	6	1
Sewer Lines		118	105	89	5	13	11	1
Snow Removal		66	47	71	2	19	29	1
Solid Waste Disposal		301	173	57	8	128	43	6
Street Construction & Maintenance		163	107	66	5	56	34	2
Street Lighting		359	79	22	4	280	78	12
Water Supply		297	220	74	10	77	26	3
Water Distribution System		163	101	62	4	62	38	3
Special Transportation Service		90	45	50	2	45	50	2
Management Service for Publicly Owned Transit		55	37	67	2	18	33	1

TABLE I (Cont'd.)

SERVICE	NO. OF CITIES IN SAMPLE (B) 2,248	NO. OF CITIES REPORTING (A)	NO. OF CITIES CONTRACTING WITH OTHER PUBLIC ENTITIES (b) NO.	% OF (A)	% OF (B)	NO. OF CITIES CONTRACTING WITH PRIVATE FIRMS (c) NO.	% OF (A)	% OF (B)
Libraries		318	304	96	14	14	4	1
Museums		57	45	79	2	12	21	1
Schools		256	256	100	11	0	0	0

(a) Data arrayed in this chart were collected in an ICMA survey and presented in a somewhat modified format in The Municipal Yearbook 1973, pp. 84-85, and reported in Journal Regulatory [illegible]

(b) These entities include general purpose local governments, school districts, other special districts, councils of governments or other regional units, state governments, and the federal government.

(c) The ICMA study makes no distinction between proprietary and non-profit service producers. However, social services, which have provided the broadest opportunity for local contracting with non-profit organizations, are virtually excluded from consideration. Contracts for the services which are of interest to the ICMA researchers are very likely to be with proprietary suppliers.

THE PROS AND CONS

Potential Advantages of Contracting Out

As a strategy to mitigate the growing pains in a growth area, the contracting out of service provision has several potential advantages. Two are of primary importance: 1) cost reductions and 2) increased flexibility of planning and operation. Neither of these potential gains is automatic, though both can be explained plausibly.

Lower costs can reasonably be expected with contracting out of services, as compared to governmental (bureaucratic) provision, due to increased entrepreneurial incentives for efficiency. As an illustration, consider the hypothetical case of garbage collection in two cities identical except for the fact that City A contracts out garbage collection while City B has its own bureau to do the same job. If they start out with identical costs and collection programs, but in each case some brilliant young administrator comes up with a new scheduling method which cuts manpower and equipment needs by a third, we might predict different reactions. In City A, the private firm greedily adopts the change, increasing its profits until the next contract time, when competition will force it to pass the savings on to the city. In City B, the bureaucracy's top management has every incentive to reject, or at least fight and delay implementation of the new method. Reducing his work force is painful, reduces his own importance, cuts the bureau's budget and in general has strong negative payoffs to the manager. Yet he cannot capture the benefits, even temporarily, if he makes the appropriate cuts. He has little incentive to conserve resources, and much incentive to use more if the taxpayer can be convinced to provide them. In both cities, the individual citizen has little incentive to become informed on the alternatives, since if there are 10,000 taxpayers, he would get about 1/10,000 of any net

benefit from his effort, while paying the full cost of the effort he makes.

The above reasoning, suggesting that contracting out will cost less than bureaucratic provision, is supported by empirical evidence. Savas and Stevens (1976) report that costs for garbage collection are substantially smaller for contract provision of collection than for municipal provision. Private collection, with no governmental collection of fees, was more costly than both. For our purposes, however, it is important to note that among the 2060 cities surveyed in the study, no statistically significant differences were found between municipal and contract provision costs in cities of less than 50,000 population. Thus from a pure cost standpoint, the data here are only illustrative of the fact that in certain cases, costs may be lower with contracting out.[1/]

A second important advantage claimed for the contracting option is the flexibility it allows local governments. This is probably the most important item where energy boom towns are concerned. When the needs and opportunities for provision of local government services are shifting, and the future is uncertain, limited term contracts with private firms allow relatively rapid increases or decreases in service levels and associated costs. Thus, for example, a large and perhaps temporary increase in law enforcement and traffic control problems during a construction boom might be handled with a temporary contract with a private security firm rather than with the addition of new patrolmen to the local police force. Such added personnel and equipment might logically handle either the least sensitive or most specialized tasks of the unusually large temporary workload. As another example, during a time when subdivision pressure is

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unusually high, the local planning agency might contract with private consultants or other governmental agencies for temporary supplemental assistance in guiding such development. In both examples, the potential advantage of contracting rather than increasing bureaucracy size in the usual fashion, is that quick decisions and implementation of greater service levels will be possible without the long term burden of quickly chosen people who can be laid off later only with great difficulty. The benefits should be evident at both ends of the time period of increased service delivery: the local entity need not screen individuals carefully, nor must they decide to "fire" the individual and attempt to do so later. It is relatively easy to contract for temporary assistance in this fashion. Then, too, one might expect the extra flexibility for decisionmakers to result in better decisions.

Other potential advantages are worth noting. When a local government can contract for a service, it has a "yardstick" by which to evaluate these portions of the service retained. Government officials also are often delighted to escape the hassles stemming from close supervision of services to the public. Of course, they still retain the responsibility (and the hassles) for the overall failures (if any) a program has. Last but certainly not least, contraction virtually forces the local government to decide what their service goals are, and how to specify acceptable performance. Such analysis may be quite important, yet escapable when a vague mission statement can be assigned a bureaucracy, on the assumption that administrators there, working "in the public interest" will recognize (and do) the "right thing" as problems and opportunities arise. With the clearly delineated duties and responsibilities required in a contract, the entire problem must be analyzed by those with budgetary responsibility, while day-to-day operations

are left in the hands of management specialists. Again, one might reasonably expect better planning, and better management as well, by people chosen for each specialized position.

Potential Pitfalls in Contracting for Services

The very factors which lead one to expect good results from contracting can also be used in more pessimistic analyses. The entrepreneurial incentives of private contractors not only work to make them more efficient; they also encourage the cutting of corners, with possible reductions in effective service. Whenever the contract cannot completely specify the contractor's duties, the spectre of bad performance is present. Unfortunately, bad performance in public bureaucracies (despite large budgets) is not unknown. Less-than-perfect contract specification and monitoring is the contracting analogue to the perennial problem of governmental accountability. Indeed, one can logically argue that a firm dealing with many customers, now and later, in a competitive environment has more incentive to deliver beyond strict contract requirements than does a bureau, facing little or no competition, and no chance to "sell" its good name and operation upon leaving the field of endeavor. Still, the danger of bad performance and/or a bad contract is a serious problem of the contracting option.

Critics also point out that private contractors will not be in business for long unless they can expect a profit in addtional to out-of-pocket costs. This of course is true, though we must recognize that to retain equally qualified people producting equal output the public sector must offer equally attractive reward packages. One component of the reward system if job security. Most positions in a bureaucracy do offer more security

than their analogous positions in the private sector. This is the opposite side of the flexibility coin. Contracting allows more flexibility, but since this implies less security throughout the performing organization, short run costs will rise somewhat on this account. Of course, this drawback (and opportunity) can be reduced by increasing the length of the contract. Indeed it can be argued that regulated private utilities are a special case of contracting out. Contracts of indefinite lengths (franchises) are let, with periodic renegotiation of the terms built into the contract.

Sheridan as a Special Case

An energy boom town, such as Sheridan, is special in several ways as it relates to contracting out. While in many larger communities the change to contracting from existing bureaucratic arrangements would be fought by employees or their unions, a boom town situation implies expansion. Reduction of the existing bureaucracy is minimized or reversed. The growth is merely slowed for the most part. Such a town has a distinct advantage (or lack of disadvantage) in going the contracting route. Also, since change will occur in any case, the natural tendency of people to be uncomfortable with change and to resist it, is minimized.

For a growth center such as Sherican, the flexibility attainable in contracting assumes extra importance. The uncertainty regarding future growth, and the up-and-down nature of construction periods, make it extremely valuable to be able to plan and act for strong changes in service levels in the short run, without committing the community heavily into the future. Although such flexibility is never free, it is much more important in a place such as Sheridan than in areas of slow, predictable change.

In Balance . . . A Good Idea

For a city such as Sheridan, facing substantial but changing and somewhat unpredictable growth, the idea of contracting for many local services appears to be a good one. In an analysis of the contracting option for social services, the Minneapolis Citizens League has put forth the following principles:

a. All the various service areas must be open for re-examination. Just as we would not foreclose the idea of governmental bodies beginning to deliver service in areas where the providers are now primarily private, so we believe the opportunity for contracting and for the entry of new providers must occur also in areas in which the delivery system is now primarily governmental. Hennepin County has, for example over the last ten years basically reappraised the desirability of retaining -- and, in fact, rebuilding -- a public hosptial/clinic, in a field which, of course, is primarily private . . . and has determined that, in this sense, a "mixed" system will be retained.

b. The crucial "mix" however is not that of public and private but that of organizations on appropriation and those on fixed-price contracts. In this sense, too, the health field appears to be changing, as a basic reappraisal is made of the hospital and medical institutions which have not been subject to the discipline of limited resources. ("In no other realm of economic life," a leading authority wrote a few years ago, "is repayment guaranteed for costs that are netiher regulated by public authority, nor controlled by competition, and in which no incentive for economy can be discerned.") This is a good example of the basic point we make: It does not appear to be contemplated that the so-called "health maintenance organizations" now being developed to contract with the recipients of health care services on a pric-conscious and results-oriented basis will come to replace totally the present fee-for-service system. The idea is that these will supplement the present system . . . will provide a choice . . . and will provide a stimulus to the remainder (which may continue to represent the majority) of the system.

c. It is important to move with real dispatch. Where change comes slowly, it must be started early. While we wait, the rise of costs in public services continues, inexorably. The purchase-of-service program needs to be put in order before the increasingly large sums of dollars become involved in some serious challenge: It is essential to understand that what is under way, essentially, in this program is the spending of larger and larger sums of public money to purchase services, usually either without negotiation or competitive bidding among suppliers, with few of any cost controls, and with little ability to determine what is, in the end, delivered in return for the dollars expended.

d. The effort must be regarded as an experiment. It is probably impossible to know for certain, at this point, that the extension of the use of the contracting arrangement will, in fact, produce the results we hope for. It is, however, worth trying . . . because it is the essence of the contract arrangement that the buyer must set forth clearly his objectives; and the seller must define what is being furnished in return for the dollars paid. It therefore addresses what have seemed to us to be two of the critical problems in the delivery of public services in this state and this point in time: The need for clearer statements of objectives and priorities, and some real measurement of the results achieved. So it is worth trying. More than this: Many different things are worth trying, since no one knows what will, in fact, succeed. The experiments must be broad in scope. And they must persist over a reasonable period of years.

e. The effort to control costs, while important, must not obscure the central objective . . . which is to maintain and improve services and to make the service delivery organizations more responsive to the needs of the people being served. The freeing up of financial resources, which we believe will result, is, of course, a means to an end: The effort to enlarge the range of organizations interested in supplying services to policy bodies, while it should result in better utilization and lower cost, will provide at the same time a larger range of choices to the recipients of services. For various reasons, the range of choices may not be as braod in some service areas as it is, for example, in health care -- where the "free choice of vendor" policy has dominated, almost from the beginning of the public health insurance programs. Even a limited opportunity to choose . . . to "switch" between organizations can have important consequences, however: Public officials, like businessmen, watch trends in public preferences closely, and frequently make significant adjustments as a result of even fairly small percentage shifts. The direct correlation between the opportunity for meaningful choices, and the responsiveness of the organizations offering services, is central.

This extension of the "choice" principle cannot, of course, be the only control on the quality of the services delivered: No one believes that the choices made by well-informed consumers among competing airlines, for example, are, by themselves, enough to insure a sufficiently high quality of aircraft maintenance and safety. Yet this element of customer choice among competing airlines is a part of the "accountability" mechanism which visibly determines -- and improves -- their performance.

f. The primary need is for the two methods of service delivery continuously to be tested against each other. A system of contracting with organizations (governmental and non-governmental) that are under clear and strong incentives to minimize their costs can -- if unrestrained -- serve the public interest as badly in certain situations as a system of bureaus or non-profit agencies (governmental or non-governmental) unrestrained by any accountability for costs and results. Neither

> should be used to the exclusion of the other. In state government, as in (for example) federal procurement in recent years . . . the general public interest lies in keeping alive at all times the options to switch from one system to the other. Even the possibility of a change can work powerfully to keep a "delivery" organization responsive to the objectives of its client. The overriding need at this time is to introduce precisely this effective system of check-and-balance into the large and rapidly expanding field of human and social services. 2/

The same principles will logically apply in Sheridan to the wide range of service requirements on the increase there. Since Sheridan's growth spurts will be greater and less predictable than those of the economic and social base in Minneapolis, the payoffs to contracting should be even greater. Since Sheridan starts from a smaller base bureaucracy, and the problem is the management of strong growth, there will be few, if any displacement problems, and thus less opposition and a lower cost of adopting the strategy of contracting for services. High benefits and low costs of implementation make strong arguments indeed for this option in meeting the growing demand for local services in Sheridan.

IMPLEMENTING A CONTRACTING OUT STRATEGY

Criteria for Contracting a Service

In deciding whether a given service, to be provided through local government, should be produced or contracted out by the governmental body, the most obvious criterion concerns contract precision. If the service to be provided can easily be described with precision in the contract, and monitored, then contracting is a simple matter. A good example of this type of service is garbage collection, which in the western United States is often handled by communities on a contract basis.

When desired and acceptable service levels are not so easily specified

or monitored, contracting is difficult. Yet it should be realized - - and often is not in the literature on this topic -- that such a situation also implies difficulty in the governmental delivery system. In fact, one of the more spectacular success stories in contracting is that of the Rural/Metro Fire Department, Inc., a private firm serving Scottsdale, Arizona. Many innovative changes by this firm, in a public service type often regarded as requiring public delivery, have reportedly allowed the firm good profits while it provides good service at far lower costs than comparable public agencies.[3/] The point here is that when a private firm could not easily be supervised or monitored, neither can a bureaucratic agency. Further this lack of accountability together with lack of entrepreneurial incentive to conserve resources, often means less efficiency in governmental delivery, and thus greater potential payoffs to innovative contracting efforts. Still, the extra difficulty at contracting must be weighed against these greater potential gains.

Another indicator of high potential benefits from contracting for a given service is the possibility of economies of scale. If a local government is well below the size needed for minimizing costs, it may gain from contracting with a firm serving other localities also, or with other local governments themselves. Savas and Stevens (1976) suggest this to be the case for garbage collection in communities under 19,000. Substantial savings are possible merely by combining "markets" regardless of whether private contracting or combined governmental delivery is used. These economies apparently persist up to a market population at about 50,000. Local governmental units in southern California reportedly are reaping this sort of scale economy by contracting for police services, among others,

with larger governmental entities.

A number of other practical considerations arise when the decision is made whether contracting or direct governmental delivery is best in a particular locality for a particular service. Legal requirements, likely competition in response to requests for bids, past traditions, and other criteria may become pertinent. A recent Urban League report suggests the following list of evaluation components for decision makers:

1. Monetary Costs
   For public policy makers, a comparative cost analysis is a necessary ingredient in an evaluation of alternatives. Consideration of the costs of the government performed service should include labor, fringe benefits, equipment, facilities and overhead. Under a contract situation, total costs are equal to contract price plus administration and evaluation costs.

2. Quality of Service
   Consideration should be given to the effectiveness of alternative service delivery methods. Of significance here are records of citizen (client) complaints, experience ratings established by interviewing current and past clients and systematic findings obtained by a trained observer.

3. Effects on Government Personnel
   Service delivery by a private firm may at least temporarily displace government personnel. The degree to which this occurs and to which displaced personnel can be placed in equally satisfactory jobs (considering pay, responsibility, working conditions, etc.) will need to be considered.

4. Potential for Unethical or Illegal Practices
   The temptation for unethical or illegal practices on the part of the contractor (or government employees themselves) may arise with contract arrangements and needs to be assessed.

5. Flexibility/Responsiveness to Changes in Conditions
   Changing citizen needs may alter significantly the character of the service needed. Such changes may be pronounced with the passage of time. An important evaluative measure, therefore, is the flexibility of the service agreement and its ability to adapt to changing conditions.

6. Transferability
   The folowing are some of the considerations which would influence the degree of transferability of a particualr purchase-of-service arrangement:

- Legal considerations (e.g. laws prohibiting or constraining contractual arrangements)
- Past tradition and habit which may make changing the mode of operation more difficult
- Number of potential suppliers or contractors and their ability.
- Resistance to or support for purchase-of-service contracting (e.g. from employee unions or private business associations)
- Need for large start-up costs which may restrict initial or subsequent competition.

Above all, the decision whether or not to purchase a service should not be made before giving potential alternative providers the opportunity to present and discuss proposals for delivery of that service. When this process has been completed and the policy making body has decided to publicly deliver the service or contract for its delivery, the policy makers involved will be clearly able to justify their decision and expenditures to any and all interested parties. During these times of increasing public scrutiny of government, the process of objectively weighing contract advantages and disadvantages should be of considerable value.[4]

And indication of how many other communities handle a wide variety of services by contract is given in Table 1, above. The source document for this Table also discusses verbally many categories of service. It is Toward Regulatory Reasonableness, a white paper issued by the U.S. Department of Commerce in January, 1977. Technological and political impediments to the contraction option also are discussed in general terms.

Steps of Successful Contracting for Service

Once the decision has been made to consider seriously the contract option for a service not previously handled in this fashion, a systematic procedure for exploring the option is essential. The following checklist of desireable steps is specified in the Handbook for Interlocal Contracting in Texas.[5] Although drawn up for intergovernmental contracting, the same set of procedures could well be used also in dealing with potential private contract options.

Step 1

ACTION: A feasibility study is undertaken and results indicate that performance of a function or service jointly with another unit of local government is the most economical or desirable course of action.

RESPONSIBILITY: Administrative official responsible for the function or service.

Step 2

ACTION: A resolution is adopted stating the governmental unit's ability and willingness to undertake the joint service or function being contemplated, and authorizing the staff to enter negotiations.

RESPONSIBILITY: City council, commissioners court, or other legislative body.

Step 3

ACTION: Negotiations are opened between the parties contemplating the joint undertaking to identify terms and conditions of the agreement and which party is to prepare the contract instrument.

RESPONSIBILITY: Chief administrator (optional), aministrative official responsible for the function or service, and legal counsel.

Step 4

ACTION: The preliminary contract instrument is prepared to include all possible matters agreed upon verbally and legal safeguards for all parties concerned.

RESPONSIBILITY: Legal counsel.

Step 5

ACTION: Legal and substantive review of the preliminary instrument is undertaken by all negotiating parties for possible corrections or additions.

RESPONSIBILITY: Chief administrator, administrative offical responsible for the function or service, and legal counsel.

Step 6

ACTION: A final negotiation session is held to iron out differences and reach agreement on terms and conditions contained in the final instrument.

RESPONSIBILITY: Chief administrator (optional), administrative official responsible for the function or service, and legal counsel.

Step 7

ACTION: A resolution is adopted approving execution of the contract and authorizing the appropriate offical to sign on behalf of the governmental unit.

RESPONSIBILITY: City council, commissioners court, or other legislative body.

Step 8

ACTION: The contract instrument is signed, attested, and properly recorded, and the required number of executed copies are forwarded to

other parties to the agreement and to other agencies as required.

RESPONSIBILITY: Appropriate officials as designated or otherwise responsible.

Step 9

ACTION: The program is implemented as called for in the contract.

RESPONSIBILITY: Administrative official responsible for the function or service.

Step 10

ACTION: Contract performance evaluation is undertaken, primarily in advance of mandatory contract review or renegotiation dates or at regular intervals through the life of the agreement.

RESPONSIBILIYT: Administrative official responsible for the function or service with the assistance of consultants as needed.

Interest in the contracting option is growing nationally. The area which is probably leading in the examination of, and experimentation with, contracting is the Minneapolis area. A non-profit organization, Public Service Options, has been active since 1974 in facilitating mutually beneficial talks and contracts among local governments, and with private firms.[6/]

CONCLUSION

Demands in the Sheridan area for increased public service of several types will surely grow, but at rates that are unsure and will probably be uneven. A strategy which holds promise for the mitigation of resulting problems is the option of local government contracting with private (or other public) entities for some of those expanding service needs. The potential in contracting for direct cost savings due to competition and entrepreneurial incentive, together with added flexibility in planning, are exceedingly important to a community facing the problems Sheridan does.

The general pro and con considerations regarding the contracting option, the specific criteria for decisions and the procedures outlined in this paper should be for people wanting to look seriously at contracting as a viable alternative in the Sheridan area.

FOOTNOTES

1/ Also of interest here is the recommendation by Savas and Stevens that "Cities of less than 20,000 are likely to lower their per-household cost of collection if they form larger markets, up to 50,000 in size, to be services by a single organization -- public or private." Some form of contracting among governmental units in the Sheridan area, to take advantage of economies of scale, is evidently advisable.

2/ This quote is from "Why Not Buy Services?", Citizens League (1972).

3/ For an aualysis of this interesting case, see Ahlbrandt (1973).

4/ This list is reported by Carpenter (1975) as being from an Urban Institute report, "An Initial Examination Into the Use of Purchase-of-Service Contracts with Private Firms by Local Governments."

5/ These procedures are from "Steps to Successful Joint Powers Contracting," Perspectives, Issue #1, 1974. The article credits the list to the Handbook for Interlocal Contracting in Texas.

6/ John Carpenter, of PSO (754 Midland Bank Building, Minneapolis, MN, 55401, phone 332-8757) has been helpful in providing source materials and references for this paper. Contact with PSO would be advisable for anyone wanting more information on contracting. Three other organizations of this sort are:

1. Institute for Local Self Government
   Claremont Hotel Building
   Berkeley, California 94705
   telephone: (415) 841-4044

   The Institute is working to develop new approaches to public safety related services including expanded municipal contracting.

2. Local Government Center
   221 West Carrilo Street
   Santa Barbara, California 93101
   telephone: (805) 969-5767
   Robert W. Poole, Jr. - President

   The center provides consulting assistance to cities and counties that are seeking innovative ways to deliver public services more economically.

3. San Francisco Planning & Urban Research (SPUR)
   126 Post Street
   San Francisco, California 94108
   telephone: (415) 781-8726
   Thomas Rauh - Project Manager

SPUR has begun a project to develop public/private cost comparisons in a number of public service areas. Included are: building maintenance, vehicle maintenance, data processing, city bus maintenance, park maintenance, street repair, and solid waste collection.

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